REMARKS

[0001] The following paragraphs are numbered for ease of future prosecution. Claims 1 and 37-38 are all the claims presently pending in this application. Claim 1 has been amended to more particularly define the claimed invention. Claims 37-38 have been added to claim additional features of the claimed invention.

[0002] Applicant respectfully submits that entry of the currently amended claims is proper because the currently amended claims will either place the application in condition for allowance or in better form for appeal. Applicant further respectfully submits that no new matter is added to the currently amended claims, nor has the scope of the pending claims changed. Accordingly, no new issues are raised that necessitate a further search of art. Applicant respectfully traverses the rejections based on the following discussion.

I. REJECTION UNDER 35 U.S.C. § 101

[0003] Claim 1 has been rejected under 35 U.S.C. §101 as being directed toward non-statutory subject matter. Applicant has amended claim 1 to recite, "*A computer-readable programmable storage medium tangibly embodying a program of machine-readable instructions executable by a digital processing apparatus to perform operations supporting method of computing price discounts*…." When functional descriptive material is recorded on some **computer-readable medium**, it becomes structurally and functionally interrelated to the medium and will be statutory in most cases since use of technology permits the function of the descriptive material to be realized. Compare *In re Lowry*, 32 F.3d 1579, 1583-84, 32 USPQ2d 1031, 1035 (Fed. Cir. 1994)(discussing patentable weight of data structure limitations in the context of a statutory

claim to a data structure stored on a computer readable medium that increases computer efficiency) and *In re Warmerdam*, 33 F.3d 1354, 1360-61, 31 USPQ2d 1754, 1759 (claim to computer having a specific data structure stored in memory held statutory product-by-process claim) with *Warmerdam*, 33 F.3d at 1361, 31 USPQ2d at 1760 (claim to a data structure per se held nonstatutory). **See, M.P.E.P. § 2106.01 Computer-Related Nonstatutory Subject Matter.**

[0004] Additionally, Applicant traverses the Examiner's rationale in rejecting Applicant's claim over 35 U.S.C. §101 on the basis that "the claim continues not to be tied to an apparatus," (page 4 of the Office Action), and "does not recite in what apparatus said computing is performed," (page 3 of the Office Action). Applicant directs the Examiner to the holding of *In re Bilsky*, that states that "claim must (1) be tied to another statutory class of invention **OR** (2) transform underlying subject matter to a different state or thing. First, based on the above-identified section to M.P.E.P. §2106.01, Applicant's claims are indeed tied to another statutory class of invention, namely, "*computer-readable programmable storage medium*," see M.P.E.P. §2106.01. Secondly, Applicant's claims transform the underlying subject matter, *i.e.*, "*price discounts*," into a different state, *i.e.*, an "*optimal price discount*," through a series of forward chaining rules that combine available combinations of price discounts.

[0005] Therefore, Applicant respectfully requests that the Examiner withdraw the 35 U.S.C. §101 rejections of claim 1 in light of the above-identified amendments to the claimed invention, and allow the application to issue.

II. THE PRIOR ART REJECTION

A. The 35 U.S.C. § 102(b) Rejection over Iannacci

[0006] Claim 1 stand rejected under 35 U.S.C. §102(b) as being anticipated by Iannacci, U.S. Pat. App. Pub. No. 2002/0062249, (hereinafter "Iannacci").

[0007] Applicant's traverse the Examiner's rejection since, among other reasons, Iannacci merely discloses identifying a "highest value benefit offer" for a single member's preferred benefit, while Applicant's claimed invention is directed toward computing a valid combination of price discounts for a customer order and thereafter combining these valid combinations of price discounts into a price discount group.

[0008] More specifically, Applicant submits, that Iannacci does not disclose, "*computing valid combinations of price discounts for said individual customer order*," and therefore, *ipso facto*, fails to disclose, "*combining said valid combinations of price discounts into a price discount group*."

[0009] Iannacci discloses at paragraph [0129] that a member's benefit, *e.g.*, frequent flier airline miles, is identified and reviewed by a central processor for any available benefit offer from an inventory of benefit offers corresponding to the member's benefit. All appropriate benefit offers are grouped for review by the central processor which determines the "highest value benefit offer" from all the grouped offers and then resolves a payment option necessary to acquire the "highest value benefit offer."

[0010] Nowhere in Iannacci, is there any disclosure as to *computing valid combinations of prices discounts*. Iannacci actually teaches away from Applicant's claimed invention resolving a single "highest value benefit offer," from the group of the available benefit offers in inventory. Since, Iannacci determines only a single "highest value benefit offer," Iannacci, fails to disclose combining any "highest value benefit offers," into *a combination of price discounts*, and

therefore fails to further disclose *combining valid combinations of price discounts* into *a price discount group*.

[0011] In summary, Iannacci merely discloses identifying a "highest value benefit offer" for a single member's preferred benefit, while Applicant's claimed invention is directed toward computing a valid combination of price discounts for a customer order and thereafter combining these valid combinations of price discounts into a price discount group.

[0012] Therefore, Applicant respectfully requests the Examiner to reconsider and withdraw this rejection since the alleged prior art reference to Iannacci fails to teach or suggest each element and feature of Applicant's claimed invention.

B. Newly Added Independent Claims 37-38 with Respect to the Applied Prior Art References

With respect to Applicant's newly added independent claims 37-38, the applied prior art references and any combination thereof fail to teach or suggest, "*computing valid combinations of price discounts for said individual customer order; combining said valid combinations of price discounts into a price discount group*."

[0013] Therefore, none of the cited prior art references nor any alleged combination thereof teaches or suggests these features of Applicant's claimed invention with respect to newly added claims 37-38.

III. FORMAL MATTERS AND CONCLUSION

[0014] In view of the foregoing, Applicant submits that claims 1 and 37-38, all of the claims presently pending in the application, are patentably distinct over the prior art of record and are in

condition for allowance. The Examiner is respectfully requested to pass the above application to issue at the earliest possible time.

[0015] Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at the local telephone number listed below to discuss any other changes deemed necessary in a telephonic interview.

[0016] The Commissioner is hereby authorized to charge any deficiency in fees or to credit any overpayment in fees to Assignee's Deposit Account No. 50-0510.

Respectfully Submitted,

Date: February 10, 2009

Donald J. Lecher, Esq.
Registration No. 41,933

GIBB IP LAW FIRM, LLC
2568-A Riva Road, Suite 304
Annapolis, Maryland 21401
Voice: 410-573-6501
Fax: 301-261-8825
E-mail: Lecher@gibbiplaw.com
Customer No. 29154